GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:4090
ANSWERED ON:10.08.2017
Financial Crisis in Aviation Sector
Shewale Shri Rahul Ramesh

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the aviation sector has been passing through its worst financial crisis in the country, if so, the details thereof;

(b) whether the cases of compromising safety of aircraft operations due to such financial crisis have come to the notice of the Government in the country during the last three years and the current year and if so, the details thereof, airline/year-wise;

(c) whether the Government has conducted any audit of such airlines to ascertain the impact of financial crisis on their safety and operations;

(d) if so, the details thereof and if not, the reasons therefor; and

(e) the other corrective steps taken/ being taken by the Government to bring the airline sector out of the financial crisis?

Answer

The Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a): As per the details provided by airlines to DGCA for year 2016 - 17, Air India, Air India Express, Go Air, Indigo, Jet Airways, JetLite, Spicejet and Blue Dart have made operating profit, whereas 5 domestic airlines have incurred loses during this period.Since Zoom Air has started its operation in February, 2017, no such financial results are available. Further,each airline prepares its business plan on the basis of their own market assessment and therefore the reasons for incurring losses differs from airline to airline, for which no centralized data is maintained by Government.;

(b): No such cases have come to the notice of Directorate General of Civil Aviation (DGCA) in the recent past.

(c) & (d): Surveillance and audit of airlines are carried out by DGCA officer as per Annual Surveillance Plan. Numbers of safety related surveillance and audit conducted in the year 2014, 2015, 2016 & 2017 (Up to June) by DGCA are as follows:

Year Surveillance Audit
2014 585 19
2015 461 14
2016 227 37
2017 146 09;

(e): No observations ascertaining the impact of financial crisis on their safety and operations has been noticed.